

**SOUTHWESTERN MICHIGAN  
COMMUNITY AMBULANCE SERVICE  
11-7519  
NILES, MICHIGAN**

**FINANCIAL STATEMENTS**

**Year ended June 30, 2004**

## AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other			Local Government Name <i>Southwestern Michigan Community Ambulance</i>		County <i>Berrien</i>
Audit Date <i>6-30-04</i>	Opinion Date <i>7-23-04</i>	Date Accountant Report Submitted to State: <i>9-8-04</i>			

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

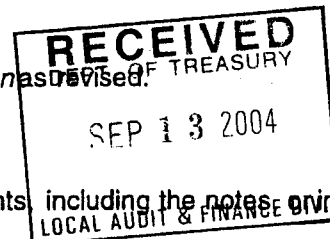
You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

### We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <i>SCARPONE &amp; CO., P.C.</i>			
Street Address <i>20 N. SECOND ST.</i>	City <i>NILES</i>	State <i>MI</i>	ZIP <i>49120</i>
Accountant Signature <i>James F. Scarpone, CPA</i>			



**SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

**NILES, MICHIGAN**

**INDEX**

**FINANCIAL STATEMENTS**

**Year ended June 30, 2004**

<b><u>ITEM</u></b>	<b><u>PAGE NUMBER</u></b>
<b>INDEPENDENT AUDITORS' REPORT .....</b>	<b>1-2</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS.....</b>	<b>3-4</b>
<b>BASIC FINANCIAL STATEMENTS:</b>	
Statement of Net Assets.....	5
Statement of Revenues, Expenses, and Changes in Net Assets.....	6
Statement of Cash Flows .....	7
Notes to Financial Statements .....	8-12
<b>REQUIRED SUPPLEMENTAL INFORMATION:</b>	
Budgetary Comparison Schedule.....	13
<b>OTHER SUPPLEMENTAL INFORMATION:</b>	
Schedule of Expenses - Budget and Actual .....	14-15



**SCARPONE & CO., P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

July 23, 2004

Members of the Board of Trustees  
Southwestern Michigan Community Ambulance Service  
Niles, Michigan 49120

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying basic financial statements of Southwestern Michigan Community Ambulance Service as of and for the year ended June 30, 2004, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the management of Southwestern Michigan Community Ambulance Service. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Michigan Community Ambulance Service as of June 30, 2004 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the required supplemental information identified in the table of contents are not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of other supplemental information, as listed in the foregoing table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of Southwestern Michigan Community Ambulance Service. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Scarpone & Co., P.C.*

# **SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year ended June 30, 2004**

Southwestern Michigan Community Ambulance Service ("SMCAS"), a State of Michigan Licensed Advanced Life Support Ambulance Agency, is in its first year of implementing the provisions of Governmental Accounting Standards Board Statement 34 (GASB 34) with the enclosed financial statements. Management's Discussion and Analysis, a requirement of GASB 34, is intended to be the SMCAS Management's discussion and analysis of the financial results for the year ended June 30, 2004.

SMCAS is a municipally owned and operated advanced life support service. SMCAS is owned by the Townships of Bertrand, Buchanan, Niles and Howard, and by the Cities of Buchanan and Niles. These municipalities have jointly formed a special assessment district. Each year, the boards of these municipalities meet to establish the special assessment to be levied for the upcoming year. In addition, a renewal ballot question is brought before the voters every four years. For the fiscal year ending June 30, 2004, the assessment rate was \$10.00 per dwelling, and the contract rate was \$20.00 per dwelling. In August, 2000, and again in August, 2004, the voters approved a ballot request that allows the municipalities to assess up to \$20.00 per dwelling.

A five year history of the assessment rate and total amount assessed for the fiscal years ended June 30 are as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Rate	\$ 10	\$ 10	\$ 7	\$ 7	\$ 7
Assessment revenues	191,488	188,030	130,883	130,168	129,152

The SMCAS service area is approximately 204 square miles and includes the aforementioned municipalities. In addition, SMCAS services Milton Township and a portion of Pokagon Township, both on a contract rate that is twice the yearly assessment rate. The total population served by SMCAS is approximately 45,000 residents.

SMCAS currently owns four advanced life support ambulances. Two ambulances are always fully staffed twenty-four hours a day.

The wheelchair van service was discontinued in January, 2004, and the vans were sold. A paramedic first responder unit was put into service in June, 2004. Emergency calls for the service years ended June 30, 2004 and 2003 were 3,347 and 2,955, respectively. Ambulance transfers for the years ended June 30, 2004 and 2003 were 584 and 495, respectively. The approximately 5.0 percent increase in emergency calls is indicative of the very modest growth experienced by SMCAS over the past five years.

During the fiscal year ended June 30, 2004, two International ambulances were purchased and put into service, along with a 2004 Ford Expedition. Two older ambulances were traded-in for the new ambulances.

# **SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year ended June 30, 2004**

The total investment in capital assets at June 30, 2004 was \$1,485,643. There were no outstanding long-term debt obligations with respect to these assets at June 30, 2004.

SMCAS prepares an annual budget that is approved by the Board of Trustees. The budget may be amended at various times throughout the year pending board approval.

### **Change from Original to Final Budget**

Total Net Operating Revenues, Original Budget	\$ 1,364,100	100.0
Total Net Operating Revenues, Final Budget	1,349,303	98.9
Decrease in Budgeted Revenues	\$ 14,797	1.1
Total Operating Expenditures, Original Budget	\$ 1,344,500	100.0
Total Operating Expenditures, Final Budget	1,342,271	99.8
Decrease in Budgeted Expenditures	\$ 2,229	0.2

### **Results from Operations**

The actual revenues for the year ended June 30, 2004 were higher from the final budget by \$136,355, a variance of 10.1 percent from the final budget. The largest variance is an increase in charges for services over the budgeted amount.

The actual expenditures for the year ended June 30, 2004 were less than the final budget by \$8,332, a variance of .6 percent from the final budget. As indicated above, there were no significant expenditure changes from the original budget to the final budget.

### **Contacting the Financial Management of SMCAS**

These financial statements are designed to provide a general overview of the finances of Southwestern Michigan Community Ambulance Service as of and for the year ended June 30, 2004. If you have any questions about this report or need additional information contact the Executive Director of Southwestern Michigan Community Ambulance Service.

**SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

**STATEMENT OF NET ASSETS**

**June 30, 2004**

**ASSETS**

**Current Assets:**

Cash and cash equivalents	\$	513,864
Cash, restricted		305,857
Accounts receivable, net of allowance for uncollectible accounts of \$150,000		395,049
Intergovernmental receivables		9,850
Prepaid expenses		19,660
Total current assets		1,244,280

Capital assets		2,034,585
Less, accumulated depreciation		(548,942)
		1,485,643

**TOTAL ASSETS** \$ 2,729,923

**LIABILITIES**

**Current Liabilities:**

Accounts payable	\$	15,750
Accrued payroll and vacation pay		66,254
Payroll withholdings		1,608
Other current liabilities		1,600
Deferred revenues		24,620
Total current liabilities		109,832

**NET ASSETS**

Investment in capital assets		1,485,643
Restricted for capital projects		315,707
Unrestricted		818,741

**TOTAL NET ASSETS** 2,620,091

**TOTAL LIABILITIES AND NET ASSETS** \$ 2,729,923

See accompanying notes to basic financial statements.



**SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**

Year ended June 30, 2004

	<u>Amount</u>	<u>Percent to Net Revenues</u>
<b>OPERATING REVENUES:</b>		
Charges for services	\$ 1,867,047	125.7
Membership fees	51,780	3.5
Recovery on accounts previously written off	19,366	1.3
Special assessment tax revenue	191,488	12.9
Municipal contract revenues	28,460	1.9
Other revenues	5,402	0.3
	2,163,543	145.6
<b>ADJUSTMENTS TO REVENUES:</b>		
Medicare and Medicaid	548,189	36.9
Blue Cross/Blue Shield	7,696	0.5
Uncollectible accounts	107,429	7.2
Membership adjustments	13,208	0.9
Other adjustments	1,363	0.1
	677,885	45.6
<b>NET OPERATING REVENUES</b>	1,485,658	100.0
<b>OPERATING EXPENSES:</b>	1,333,939	89.8
<b>INCOME FROM OPERATIONS</b>	151,719	10.2
<b>NON-OPERATING REVENUES:</b>		
Interest income	3,451	0.2
Gain on disposal of assets	16,933	1.2
<b>NON-OPERATING REVENUES</b>	20,384	1.4
<b>CHANGE IN NET ASSETS</b>	172,103	11.6
Net assets, beginning of year	2,447,988	
<b>NET ASSETS, END OF YEAR</b>	\$ 2,620,091	

See accompanying notes to basic financial statements.

**SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

**STATEMENT OF CASH FLOWS**

**Year ended June 30, 2004**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Cash received for services	\$ 1,064,197
Cash payments for goods and services	(469,366)
Cash payments for employees	(662,117)
Receipt of membership fees	49,400
Receipt of special assessment taxes	189,808
Receipt of contractual fees	28,460
Receipt of accounts previously written off	19,366
Receipt of other revenues	5,402
	225,150

**CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:**

Payment for capital assets	(363,611)
Proceeds from sale of capital assets	17,701
	(345,910)

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Receipt of interest income	3,451
----------------------------	-------

**DECREASE IN CASH AND CASH EQUIVALENTS** (117,309)

Cash and cash equivalents, beginning of year 937,030

**CASH AND CASH EQUIVALENTS, END OF YEAR** \$ 819,721

**RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES:**

Operating income	\$ 151,719
Adjustments to reconcile:	
Depreciation	189,915
Changes in assets and liabilities:	
Increase in accounts receivable	(124,965)
Increase in intergovernmental receivable	(1,680)
Decrease in prepaid expenses	60
Increase in accounts payable	1,846
Increase in accrued payroll and vacation pay	9,209
Decrease in payroll withholdings	(174)
Increase in other liabilities	1,600
Decrease in deferred revenues	(2,380)

**CASH FLOWS FROM OPERATING ACTIVITIES** \$ 225,150

See accompanying notes to basic financial statements.

# **SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

## **NOTES TO FINANCIAL STATEMENTS**

**Year ended June 30, 2004**

### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of the Southwestern Michigan Community Ambulance Service (SMCAS) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by SMCAS are described below:

#### **Reporting Entity**

Southwestern Michigan Community Ambulance Service was formed as a corporation in 1975 under the provisions of Michigan Public Acts pertaining to intergovernmental contracts between municipal corporations, for the purpose of providing ambulance services. The municipalities included in the corporation are the City of Niles, the City of Buchanan, Niles Township, Buchanan Township, Bertrand Township and Howard Township.

#### **Measurement Focus and Basis of Accounting and Financial Statement Presentation**

The term "measurement focus" is used to denote what is being measured and reported in the SMCAS operating statement. SMCAS is accounted for on the flow of economic resources measurement focus. The fundamental objective of this focus is to measure whether SMCAS is better or worse off economically as a result of events and transactions of the period.

The term "basis of accounting" is used to determine when a transaction or event is recognized on the operating statement of SMCAS. SMCAS uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are incurred, even though actual payment or receipt may not occur until after the period ends.

SMCAS follows all pronouncements of the Governmental Accounting Standards Board.

Effective July 1, 2003, SMCAS adopted the provisions Governmental Accounting Standards Board Statement No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." Statement 34 established standards for external financial reporting for all state and local governmental entities and includes a statement of net assets, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components: investment in capital assets, net of any related debt; restricted; and unrestricted. These classifications are defined as follows:

Investment in capital assets, net of any related debt - This component of net assets consists of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances, if any, of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

**NOTES TO FINANCIAL STATEMENTS**

**Year ended June 30, 2004**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:**

**Restricted - This component of net assets consists of constraints placed on net asset use by management for specified uses such as capital projects, or through external constraints imposed through creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.**

**Unrestricted - This component of net assets consists of net assets that do not meet the definition of "investment in capital assets, net of related debt" or "restricted."**

**Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.**

**Cash and Cash Equivalents**

**Cash and cash equivalents are combined on the statement of net assets. Cash deposits consist of an interest bearing checking account with a financial institution and is carried at cost. Cash equivalents consist solely of a money market account and is carried at fair market value. For purposes of the statement of cash flows, all cash deposits and highly liquid investments with an original maturity of three months or less when acquired are considered to be cash equivalents.**

**Intergovernmental Receivables**

**Intergovernmental receivables consist of tax assessments levied upon properties within the Organization's service area.**

**Prepaid Expenses**

**Payments to vendors that will benefit periods beyond the end of the current fiscal year are recorded as "prepaid expenses."**

**Revenues and Expenses**

**Revenues and expenses are distinguished between operating and nonoperating items. Operating revenues result from providing ambulance services to the public.**

**Operating expenses include all costs associated with providing services, including administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.**

**SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year ended June 30, 2004**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONCLUDED:**

**Taxes**

SMCAS is exempt from all federal and state income taxes.

**Deferred Revenues**

Deferred revenues at June 30, 2004 represent the portion of 2004 annual membership fees that are attributable to the six month period subsequent to June 30, 2004.

**Capital Assets**

Capital assets are defined by SMCAS as assets with an estimated useful life in excess of one year.

Capital assets of SMCAS are recorded at cost. Donated assets are valued at their estimated fair market value on the date donated. Depreciation of capital assets is charged as an operating expense. Depreciation is computed using straight-line methods over their estimated useful lives as follows:

	<u>Years</u>
Buildings and improvements	7 - 30
Equipment	3 - 7
Vehicles	3 - 5

Major additions and betterments are capitalized, while expenditures for maintenance and repairs that do not add value to the asset or materially extend asset lives are charged to operations as incurred.

**NOTE B - CASH AND CASH EQUIVALENTS:**

Cash and cash equivalents, consisted of the following at June 30, 2004:

Petty cash	\$	50
Deposits in financial institutions		819,671
	\$	819,721

The above deposits in financial institutions of \$819,671 at June 30, 2004 were reflected in the accounts of the Organization's financial institutions (without recognition of checks written but not cleared, or of deposits in transit) at \$868,032. Of this amount, approximately \$100,000 was covered by federal depository insurance, and \$768,032 was uninsured and uncollateralized.

**SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year ended June 30, 2004**

**NOTE C - CONCENTRATIONS OF CREDIT RISK:**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash investments with financial institutions and accounts receivable. The Organization attempts to limit the amount of credit exposure to any one financial institution with respect to cash and cash investments (see Note B). Concentrations of credit risk with respect to accounts receivable are limited due to the nature of the Organization's business. Accordingly, management of the Organization believes it has no significant concentrations of credit risk as of June 30, 2004.

**NOTE D - RESTRICTED NET ASSETS:**

Restricted net assets represents cash and assessments receivable related to the annual tax assessments levied upon properties within the Organization's service area. Such funds are to be used exclusively for capital expenditures and related asset maintenance. Restricted net assets at June 30, 2004 was \$315,707.

**NOTE E - DEFINED CONTRIBUTION PLANS:**

The Organization participates in a 401(a) retirement plan covering substantially all employees. Under the plan, the Organization contributes an amount equal to 5% of an eligible employee's gross salary, excluding bonuses. In addition, the Organization matches employee contributions up to 5% of the employee's gross salary, excluding bonuses. The Organization's expense for the year ended June 30, 2004 in connection with the plan amounted to \$58,391.

**NOTE F - RISK MANAGEMENT:**

The Organization maintains commercial insurance to cover any unanticipated significant losses. Management of the Organization reviews its insurance coverage on a periodic basis, and makes any changes to such coverage as necessary. There have been no significant changes in insurance coverage during the year ended June 30, 2004.

# SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

## NOTES TO FINANCIAL STATEMENTS - CONCLUDED

Year ended June 30, 2004

### NOTE G - CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2004 is as follows:

	Balance June 30, <u>2003</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2004</u>
Assets not being depreciated:				
Land	\$ 8,195	\$ -	\$ -	\$ 8,195
Capital assets being depreciated:				
Buildings and improvements	1,217,787	1,380	-	1,219,167
Medical equipment	125,383	40,692	9,778	156,297
Vehicles	404,074	310,351	233,234	481,191
Office and other equipment	177,564	11,188	19,017	169,735
	<u>1,924,808</u>	<u>363,611</u>	<u>262,029</u>	<u>2,026,390</u>
Accumulated depreciation:				
Buildings and improvements	158,799	51,627	-	210,426
Medical equipment	37,200	27,502	9,093	55,609
Vehicles	339,787	82,755	233,234	189,308
Office and other equipment	84,502	28,031	18,934	93,599
	<u>620,288</u>	<u>189,915</u>	<u>261,261</u>	<u>548,942</u>
Net capital assets being depreciated	<u>1,304,520</u>	<u>173,696</u>	<u>768</u>	<u>1,477,448</u>
Net capital assets	\$ <u>1,312,715</u>	\$ <u>173,696</u>	\$ <u>768</u>	\$ <u>1,485,643</u>

# SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

## REQUIRED SUPPLEMENTAL INFORMATION BUDGETARY COMPARISON SCHEDULE

Year ended June 30, 2004

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 1,762,000	\$ 1,754,903	\$ 1,867,047	\$ 112,144
Membership fees	51,000	51,000	51,780	780
Recovery on accounts previously written off	19,000	19,000	19,366	366
Special assessment tax revenue	185,000	185,000	191,488	6,488
Municipal contract revenues	27,800	27,800	28,460	660
Other revenues	13,300	5,100	5,402	302
	<u>2,058,100</u>	<u>2,042,803</u>	<u>2,163,543</u>	<u>120,740</u>
<b>ADJUSTMENTS TO REVENUES:</b>				
Medicare and Medicaid	485,000	485,000	548,189	(63,189)
Blue Cross/Blue Shield	-	5,000	7,696	(2,696)
Uncollectible accounts	190,000	190,000	107,429	82,571
Membership adjustments	17,500	11,000	13,208	(2,208)
Other adjustments	1,500	2,500	1,363	1,137
	<u>694,000</u>	<u>693,500</u>	<u>677,885</u>	<u>15,615</u>
<b>NET OPERATING REVENUES</b>	<u>1,364,100</u>	<u>1,349,303</u>	<u>1,485,658</u>	<u>136,355</u>
<b>OPERATING EXPENDITURES</b>	<u>1,344,500</u>	<u>1,342,271</u>	<u>1,333,939</u>	<u>8,332</u>
<b>INCOME FROM OPERATIONS</b>	<u>19,600</u>	<u>7,032</u>	<u>151,719</u>	<u>144,687</u>
<b>NON-OPERATING REVENUES:</b>				
Interest income	7,000	3,000	3,451	451
Gain on disposal of assets	-	-	16,933	16,933
<b>NON-OPERATING REVENUES</b>	<u>7,000</u>	<u>3,000</u>	<u>20,384</u>	<u>17,384</u>
<b>CHANGE IN NET ASSETS</b>	<u>26,600</u>	<u>10,032</u>	<u>172,103</u>	<u>162,071</u>
Net assets, beginning of year	<u>2,447,988</u>	<u>2,447,988</u>	<u>2,447,988</u>	-
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 2,474,588</u>	<u>\$ 2,458,020</u>	<u>\$ 2,620,091</u>	<u>\$ 162,071</u>



# SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

## SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL

Year ended June 30, 2004

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>WAGES AND BENEFITS:</b>			
Salaries and wages	\$ 679,600	\$ 685,471	\$ 671,326
Payroll taxes	52,500	52,500	52,785
Employee health insurance	105,000	106,000	103,897
Retirement	57,200	60,000	58,391
Disability insurance	5,000	5,000	4,920
401(a)/457 plan fees	500	500	500
Workers' compensation insurance	25,000	30,000	28,408
Education expenses	12,600	12,600	10,964
Uniforms	13,000	13,000	14,930
Dental and medical reimbursement	7,500	6,500	6,420
	<u>957,900</u>	<u>971,571</u>	<u>952,541</u>
<b>VEHICLE EXPENSES:</b>			
Gasoline	15,000	12,000	13,191
Vehicle insurance	12,000	16,600	15,562
Other vehicle costs	24,200	24,200	25,320
	<u>51,200</u>	<u>52,800</u>	<u>54,073</u>
<b>BUILDING EXPENSES:</b>			
Utilities	22,000	15,000	15,162
Repair and maintenance	10,600	10,600	11,167
	<u>32,600</u>	<u>25,600</u>	<u>26,329</u>
<b>EMS SUPPLIES:</b>			
EMS supplies	25,000	25,000	24,101
Repair and maintenance	6,500	5,500	4,393
Oxygen	3,000	2,700	2,616
License fees	500	500	325
Cellular phones	2,800	6,000	7,463
Pager rental	4,500	2,000	2,346
	<u>42,300</u>	<u>41,700</u>	<u>41,244</u>